

GREATER LONDON AUTHORITY

REQUEST FOR DIRECTOR DECISION – DD2110

Title: GLA ESF 2014 – 20 Programme: management and administration expenditure

Executive Summary:

This decision seeks approval for expenditure of up to £120,000, of which 50% (£60,000) will be met by European Social Fund (ESF), and the other 50% will be funded by the GLA to support the GLA's ESF 2014–20 Co-Financing Programme non-staff management and administration activities.

Management and Administration activities which will be supported include:

- Procuring and commissioning the GLA's ESF 2014 -20 Programme Evaluation, including support to delivery partners;
- Marketing, Publicity and Events; and
- Auxiliary costs associated with collection, analysis and reporting of management information to meet ESF requirements.

Decision:

That the Executive Director of Development, Enterprise and Environment approves expenditure of up to £120,000 for the period April 2017 to March 2021, of which 50% (£60,000) will be met by ESF, to be used to support non-staff costs associated with the management and administration of the GLA's European Social Fund 2014–20 Co-Financing Programme.

AUTHORISING DIRECTOR

I have reviewed the request and am satisfied it is correct and consistent with the Mayor's plans and priorities.

It has my approval.

Name: Fiona Fletcher-Smith

Position: Executive Director

Signature:



Date:

26.4.2017

PART I - NON-CONFIDENTIAL FACTS AND ADVICE

1. Introduction and background

The GLA's ESF 2014-20 Co-Financing Programme

- 1.1 At its meeting of 19 March 2015, the GLA's Investment and Performance Board (IPB) approved a proposal for the GLA to apply for a European Social Fund (ESF) allocation from London's 2014-20 European Structural and Investment Fund allocation to support GLA Group projects and programmes.
- 1.2 ESF aims to increase labour market participation, promote social inclusion and develop the skills of the workforce. ESF focuses support on those who face the greatest disadvantages in the labour market. The GLA's ESF 2014-20 Co-Financing Programme (CFP) will contribute to Mayoral commitments and priorities on skills, employability, fairness and equality by supporting investment in activities which ensure all Londoners have the opportunity to secure the skills that London's economy needs. Current GLA CFP projects are designed to add value to mainstream provision, supporting the Mayor's aim for a strategic skills approach.
- 1.3 Activities supported by the GLA's CFP will include: supporting young people to gain digital skills and access work through volunteering and employer-led programmes; supporting veterans to secure a job; supporting care-leavers and those dropping out at Key Stage 5; delivering skills and entrepreneurship through place-based creative and cultural activities; tackling high drop-out among graduates from disadvantaged backgrounds; and delivering employer-led training and employability support for local people in key regeneration areas.
- 1.4 The total value of the CFP is £25.27m. This includes £12.5m ESF funding. The Regeneration team is responsible for delivering the GLA's Co-Financing responsibilities (including project and programme compliance) and is budget-holder for the ESF 'Management and Administration' (M&A) budget and the 'net zero' budget for projects which are match funded by GLA family and external organisations. Other GLA teams are the GLA budget holders for most of the CFP's projects.

GLA ESF 2014-20 Programme management costs

- 1.5 MD1642 approved the CFP and noted a budget requirement from 2016 to December 2021 of £183,000 (£92,000 GLA net) to meet the GLA's non-staff M&A costs, to be secured through annual budget-setting would be required for evaluation activity and other non-staff M&A costs.
- 1.6 The Regeneration team are seeking approval for expenditure of up to £30,000 per year (£120,000 in total) for the period April 2017 to March 2021 to support the GLA's non staff programme M&A activities. 50% of expenditure will be met by ESF, resulting in a net GLA annual budget requirement of £15,000. This has been agreed as part of the 2017-18 budget-setting process.
- 1.7 The budget-setting process agreed funding in principle for four years to March 2021. ESF projects are currently scheduled to end in September 2021 and ESF funding for the programme may be extended beyond this date. It is anticipated that there may be a further request for £30,000 per year (of which 50% will be met from ESF) until the end of the programme. If funding beyond March 2021 is required, a request will be made in 2020/21 through the GLA's normal annual budget-setting process.
- 1.8 Management and Administration activities which will be supported include:
 - Commissioning the Programme Evaluation, including support to delivery partners;

- Marketing, Publicity and Events; and
- Costs of collection, analysis and reporting of management information to meet ESF requirements.

Programme Evaluation

- 1.9 ESF Regulations require an overall programme evaluation to be completed by the end of the programme delivery period (currently December 2021), and in addition it is important that the GLA understands which elements of the programme have delivered most impact, particularly as many of the GLA's ESF projects will be piloting new methodologies and approaches.
- 1.10 The evaluation will be commissioned in the first year of delivery in order to contribute to the continuous improvement of the Programme. It is envisaged that the ESF programme will consist of up to 26 projects, although this figure is subject to change as the programme develops. The majority of projects will complete project-level self-evaluations. The M&A budget will fund external independent consultancy support to establish a baseline and common evaluation framework, to develop theories of change, and to provide support 1-1 and through workshops to delivery partners to implement systems to capture outcomes in order to ensure a consistent approach to measuring impact across the programme. Project-level evaluations will feed into the overall programme evaluation which will be completed in the final year of the programme. The evaluation framework will build on Project Oracle. Project Oracle is funded by the GLA, Mayor's Office for Policing and Crime (MOPAC) and other funders to improve the chances of children and young people through the promotion of quality evidence through the alignment of project evaluations.

Marketing, publicity and events

- 1.11 It is anticipated that the programme will host up to four events or workshops per year. The budget will fund venue hire and refreshments for external-facing events and workshops to support the commissioning and delivery of the CFP. Events will include: development workshops, market warming, specification launches, contracting and induction workshops, steering groups, sharing of learning and good practice, and participant celebration events.

Management Information

- 1.12 ESF Regulations require the collection, analysis and reporting of detailed management information and data on participants. There are significant risks of clawback for non-compliance if evidence and data do not support the claims. In addition the data collected includes personal sensitive information and which is subject to additional data protection requirements. As a result the ESF programme requires a specially developed, dedicated database and analytical resource to collect retain and analyse evidence and management information.
- 1.13 Although, compared to original estimates, we have made savings by developing an in-house database, past experience leads us to believe that there will be a requirement for further training and IT support in order to maintain the new database and adapt it to meet ESF requirements as the programme develops.

2. Objectives and expected outcomes

- 2.1 This budget will provide resources for the CFP M&A costs. Direct outcomes resulting from the M&A include a cost-effective evaluation of programme impact with support to delivery partners to self-evaluate their projects and the leverage of up to £60,000 ESF income will support this. The M&A budget, including staff costs, will enable the £25m CFP to be developed, procured and delivered

effectively and in compliance with ESF requirements, thereby maximising outcomes and impact, minimising risks to the GLA.

- 2.2. The CFP lifetime indicative outputs and outcomes are: 14,000 Londoners supported; 4,834 Londoners securing work or entering further education; 2,622 Londoners sustaining a job or a further education place for at least 6 months; 580 businesses supported and leverage of £12.5m EU funding.

3. Equality comments

- 3.1 The CFP reflects the Mayoral commitments and priorities on skills, employability, fairness and equality by supporting investment in activities which ensure all Londoners, and particularly those at a disadvantage in the labour market, have the opportunity to train in the skills that London's economy needs and improved access to London's employment opportunities.
- 3.2 The CFP will support equality of opportunity for Londoners since ESF targets support on those who are most disadvantaged in the labour market. Ethnic minority groups, women and people with disabilities are over-represented amongst unemployed and economically inactive people, young people who are not in education, employment or training (NEET) and groups in work but at risk of becoming unemployed.
- 3.3 When external services or consultancy support are procured using this budget, the GLA will comply with the Public Sector Equality Duty, and the GLA's Procurement Code. The Code is also designed to ensure that third parties with whom the GLA deals are treated equally, given the same opportunities and information and evaluated (where applicable) fairly. TfL Commercial is responsible for the development and co-ordination of a corporate approach to the purchase of goods and services including monitoring performance on equalities.

4. Other considerations

a) Key risks and issues

- Quality of the evaluation framework and report. In order to mitigate the risk of poor quality or unbalanced self-evaluation reports, prospective evaluators will be asked to evidence internal quality assurance procedures during the procurement procedure.
- The production of a framework and the support to delivery partners will help to ensure consistency of measurement of the impacts and comparability across projects
- Only maximum of 10% of project expenditure can be claimed towards M&A costs. Risk of clawback if outputs and outcomes, data, or supporting evidence for procurement, delivery and claims is insufficient. The ESF Delivery Unit within the Regeneration team has extensive experience of managing the GLA's previous ESF Co-Financing Programmes and has consistently achieved low-risk audit ratings from the Managing Authority, the ESF Audit Authority and internal audit. To minimise the risks associated with ESF evidence, audit and clawback requirements and to ensure consistency of programme reporting, the ESF Delivery Unit will continue to be responsible for managing the procurement and delivery of the GLA's ESF 2014-20 Programme.

b) Links to Mayoral strategies and priorities

- The CFP will contribute to Mayoral commitments and priorities on skills, employability, fairness and equality by supporting investment in activities which ensure all Londoners have the opportunity to train in the skills that London's economy needs and improved access to London's employment opportunities. Current CFP projects are designed to add value to mainstream provision, supporting the Mayor's aim for a strategic skills approach.

5. Financial comments

- 5.1 As part of the 2017-18 budget process a gross annual budget of £30,000 has been agreed to support non-staff costs associated with the management and administration of the GLA's European Social Fund 2014-20 Co-Financing Programme. The £30,000 gross budget is funded by the GLA and ESF on a 50:50 basis (£15,000 each).
- 5.2 This gross budget has been included in the GLA's base budget up to the end of the 2020-21 financial year (within the Regeneration Unit); thus totalling £120,000 (£60,000 GLA net) for the duration of the Programme. It should be noted, however, ESF projects commissioned as part of this programme may end up delivering beyond March 2021, which may require additional management and administration budget beyond March 2021. The position on the programme will be monitored closely and if required, the additional budget provision will be subject to the Authority's annual budget setting process.

6. Legal comments

- 6.1 Sections 1 to 3 of this report indicate that:
The decisions requested of the Executive Director of Development, Enterprise and Environment concern the exercise of the GLA's general powers, falling within the GLA's statutory powers to do such things considered to further or which are facilitative of, conducive or incidental to the promotion of economic development and wealth creation, social development or the promotion of the improvement of the environment in Greater London; and in formulating the proposals in respect of which a decision is sought officers have complied with the GLA's related statutory duties to:
- Pay due regard to the principle that there should be equality of opportunity for all people;
 - Consider how the proposals will promote the improvement of health of persons, health inequalities between persons and to contribute towards the achievement of sustainable development in the United Kingdom; and
 - Consult with appropriate bodies.
- 6.2 In taking the decisions requested, the Executive Director of Development, Enterprise and Environment must have due regard to the Public Sector Equality Duty; namely the need to eliminate discrimination, harassment, victimisation and any other conduct prohibited by the Equality Act 2010, and to advance equality of opportunity between persons who share a relevant protected characteristic (race, disability, gender, age, sexual orientation, religion or belief, pregnancy and maternity and gender reassignment) and persons who do not share it and foster good relations between persons who share a relevant protected characteristic and persons who do not share it (section 149 of the Equality Act 2010). To this end, the Mayor should have particular regard to Section 3 (above) of this report.
- 6.3 The services required must be procured by Transport for London Procurement who will determine the details of the procurement strategy to be adopted in accordance with the GLA's Contracts and Funding Code. Officers must ensure that appropriate contract documentation is put in place and executed by the successful bidders and the GLA before the commencement of the Services.

7. Planned delivery approach and next steps

Activity	Timeline
First GLA ESF Co-Financing Programme projects start delivery	April 2017
Procurement of evaluation contract	May 2017
Evaluation activity begins (baseline work, development of theories of	July 2017

change and evaluation framework, support to providers) Interim programme evaluation report	March 2019
Projects complete delivery (based on current agreed programme dates)	September 2021
Final Programme Evaluation report completed (based on current agreed programme dates)	December 2021
Project and programme closure completed (based on current agreed programme dates)	March 2022

Appendices and supporting papers: None

Public access to information

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FOI Act) and will be made available on the GLA website within one working day of approval.

If immediate publication risks compromising the implementation of the decision (for example, to complete a procurement process), it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary.

Note: This form (Part 1) will either be published within one working day after approval or on the defer date.

Part 1 Deferral:

Is the publication of Part 1 of this approval to be deferred? NO

If YES, for what reason:

Until what date: (a date is required if deferring)

Part 2 Confidentiality: Only the facts or advice considered to be exempt from disclosure under the FOI Act should be in the separate Part 2 form, together with the legal rationale for non-publication.

Is there a part 2 form – NO

ORIGINATING OFFICER DECLARATION:

Drafting officer to
confirm the
following (✓)

Drafting officer:

Michelle Barrett has drafted this report in accordance with GLA procedures and confirms that:

✓

Assistant Director/Head of Service:

Debbie Jackson has reviewed the documentation and is satisfied for it to be referred to the Sponsoring Director for approval.

✓

Financial and Legal advice:

The Finance and Legal teams have commented on this proposal, and this decision reflects their comments.

✓

Corporate Investment Board:

The Corporate Investment Board reviewed this proposal on 24 April 2017.

EXECUTIVE DIRECTOR, RESOURCES:

I confirm that financial and legal implications have been appropriately considered in the preparation of this report.

Signature

M. J. Blö

Date

24.4.17

